

CHAPTER 9

FUNDS REQUEST

INSTRUCTIONS FOR COMPLETING FUNDS REQUEST

NOTE: Please make request in whole dollar amounts or we will round up if requesting cents.

WHEN TO SUBMIT A REQUEST

The **Funds Request** is used to request CDBG funds and can be submitted monthly to request a cash draw. A completed Funds Request must be submitted at least once per quarter even if no funds are requested starting with the quarter in which the Grant Contract is executed. A Request must also be submitted if the program's funds-on-hand exceeds \$5,000 at the end of a month.

SEND ONLY THE ORIGINAL FUNDS REQUEST FORM WITH ORIGINAL SIGNATURE. Do not submit multiple copies of Funds Request Forms.

WHERE TO GET A COPY OF A REQUEST FORM

The form is available as a pdf file, an Excel 2000 document, or a Word 2000 document and is available on the HCD Website: http://hcd.ca.gov/ca/cdbg/gmm/far_forms.html. It is also available on the current grant management CD rom.

PREDESCRIBED CONDITIONS

Starting in 2004, you may request release of general administration and even activity funds prior to receiving your executed contract and begin incurring costs on your grant. You must make your request in writing and meet the special conditions of each activity under the contract prior to incurring costs. Your CDBG contract will contain conditions that must be met prior to your incurring administrative and/or program activity costs, and prior to drawing down CDBG funds. For example, most grantees may incur general administrative costs from the effective date of the contract but may not incur costs or expend funds for program activities until they fulfill the environmental review requirements and any special conditions of the contract.

Review your contract to determine which special conditions must be met prior to incurring program activity costs to be paid with CDBG funds. Once the Department has confirmed in writing that you have met the conditions, you may incur program activity costs. **If you are allowed to incur costs prior to receiving a fully executed contract, then upon receiving an executed contract you may submit your first Funds Request and be reimbursed for any eligible costs to date.**

Remember that no costs incurred prior to the effective date of your CDBG contract may be charged to CDBG unless you have special written permission from the Department. Once the contract is signed by the State, eligible expenditures may be incurred and expended against the grant subject to the contract terms.

INSTRUCTIONS FOR HEADING

Grantee, address, and phone number: Enter the jurisdiction's name, mailing address, and phone number. Note: Warrants will be mailed to the address shown on the Grantee's Standard Agreement and not the address shown on the above heading.

Preparer, title, organization, phone number and E-mail Address. Enter the name, and other information requested, of the person to contact regarding questions on the Cash Request.

Grant No: Enter the grant number shown on the Standard Agreement.

Grant Amend. #: If the grant has been amended, please enter the number of the last amendment. Show N/A (not applicable) if no amendments have been approved.

Execution and Expiration Date: Enter the execution date of the grant, located on the bottom right corner of the Standard Agreement, and the date the grant expires.

Type of Funds Request: Check one or more boxes to show the type of Funds Request being submitted:

- **Advance** - The initial request for an advance may be for the first two months' fund needs as estimated in your application. In most cases, this will be for general administrative costs only. Additional advance of funds may be requested when your monthly cash flow analysis indicates a need for additional funds. At the time of a request, funds-on-hand, including program income devoted to the activities should not exceed \$5,000 without clear justification. Be advised that federal regulations require program income to be used prior to expending grant funds. Advances may only be requested up until the 27th month of the contract for 30-month grants or 90 days before the expiration of a planning grant. Funds requested after these dates must be requested on a reimbursement basis. When requesting an **Advance, you must complete Section III and/ or IV of the FAR Semi-Annual Report. All advanced money must be held in interest bearing accounts.**
- **Reimbursement** - You may request grant funds on a reimbursement basis for CDBG goods and services paid from non-CDBG sources.
Note: Advances to a subcontractor should not be classified as a reimbursement of cost.
- **Lump sum** - Lump-sum draw downs are permitted only for the loan pool portion of Housing Rehabilitation activities. The general administration and activity delivery portion of the CDBG grant must be requested using either the advance or reimbursement methods described above. **When requesting Lump Sum, you must fill out Section V of the FAR Semi-Annual Report.**
- **Final Funds Request** – The final Funds Request is accepted up to 45 days after the expiration date of the grant. Please mark the **“Final Funds Request”** box on your last Funds Request.

FUNDS REQUEST

The Funds Request is used to request grant funds. The Funds Request also shows the status of the grant funds, including the amount disbursed and the funds-on-hand. The Funds Request is due by the end of each month (if needed) or quarter.

A completed Funds Request is due within 30 days after the quarterly report period ends, if one has not been submitted during the quarter, and up to 45 days after the expiration date (Final Funds Request), if remaining money is requested.

Request Number: Enter the request number. Funds Request will be numbered consecutively 1, 2, 3... Also number Funds Request that are requesting zero funds.

Report Period: Enter the report period covered by the Funds Request. Normally, the date will be from the **first to the last day** of a month or quarter. The exceptions will be the first and last report, which may start or end in the middle of a month.

Column (1) Contract Activities: List the **grant activities**, as shown on the first page of the Standard Agreement.

Column (2) HUD Code: List the **HUD Code** for each activity, as shown on the first page of the Standard Agreement. **Note: Call your program representative if the HUD Code is missing.**

Column (3) Budgeted Amount: List the **amount budgeted** for each activity, as shown on the first page of the Standard Agreement.

Column (4) Total Requested to Date: List the **total** CDBG funds requested on **previous** funds request for each activity.

Column (5) Total CDBG Funds Received: List the **total** CDBG funds **received** for each activity as of the end of the report period.

Column (6) CDBG Funds Requested Not Received: List the **total** CDBG Funds **Requested** but **not received** as of the end of this report period.

Column (7) Total CDBG Funds Disbursed: List the **total funds received from CDBG fiscal and disbursed** for each activity as of the end of the report period. Do not include cash disbursed from other sources. Only report on the money you received from requesting funds from CDBG fiscal.

Column (8) Funds-On-Hand: List the **difference** between columns 5 minus 7. This is the funds-on-hand, which must be tracked by activity. If the total funds-on-hand for **all** activities **exceeds \$5,000** at the end of a month, a Funds Request must be completed and submitted to the Department even if no funds are being requested. **An explanation as to why there is more than \$5,000 on-hand, and when this money will be disbursed must be given in the comment section. Be advised that all funds-on-hand must be kept in an interest bearing account.**

Note: During the term of the grant, it is possible that an activity could have a negative balance. At grant expiration, no activity will have a negative fund balance.

Column (9) Funds Requested: List the amount of CDBG funds being requested for each activity. Sound cash management procedures need to be established to ensure the funds requested do not exceed the program's 30 days cash needs. The exception would be fund draws for the lump sum account and the initial Funds Request.

PLANNING AND TECHNICAL ASSISTANCE GRANTS ONLY – EXPENDITURE OF MATCH FUNDS

Column (1) Allocation – Economic Development and/or General.

Column (2) Activity – List the **Activity** for the **Match Funds**.

Column (3) Budgeted Amount – List **Match Fund** as shown in the Standard Agreement for the corresponding allocation.

Column (4) Previously Reported – List **Total Expenditure** amount from previous Funds Request.

Column (5) Expended This Period – List this periods **Expenditure** amount.

Column (6) Total Expenditure – Add **Previously Reported** Amounts (Col. 4) to **Expended This Period** Amounts (Col. 5).

EXPENDITURE OF PROGRAM INCOME ON ACTIVITIES ASSOCIATED WITH THIS GRANT

Column (1) Activity Name – List the **Activity Name** of the **Program Income Expenditure**.

Column (2) HUD Code – List the **HUD Code** associated with the **Activity** (call state CDBG rep for proper HUD Code).

Column (3) Budgeted Amount – List the approved **Budgeted Amount** of the **Program Income Expenditures**.

Column (4) Previously Reported – List the **Total Expenditure amount Column (6)** from the prior **Funds Request**.

Column (5) Expended This Period – List amount of **Expenditures** in this **Report Period**.

Column (6) Total Expenditures – Total of each line, **Column 4 PLUS (+) Column 5**.

GRANTEE CERTIFICATION

An authorized person must sign the Funds Request. A subcontractor cannot sign the Funds Request.

COMMON PROBLEMS

- Incurring costs or requesting funds for project activities prior to the clearance of grant conditions.
- Request for advance exceeds amount required for immediate (30-day) needs.
- Request date on Funds Request is after the expiration date.
- Expenditures were incurred after the expiration date of the grant.
- Reporting expenditures from other sources.
- Report Number and Reporting Period Omitted.

DEPARTMENT'S ROLE

CDBG fiscal and program staff review each Funds Request and will return it to you if corrections are needed. Staff will compare the request to recent reports to assess the actual expenditures and need for funds.

REFERENCES

- 24 CFR 570.489© (1) establishes rules for advances and interest earnings thereon.
- 24 CFR 570.513 establishes lump-sum drawdown requirements.
- 24 CFR 560.511 describes the escrow account.
- Treasury Circular 1075 sets the policy for sound cash management practices.

CDBG Funds Request

Form # Fiscal – 6, Rev 6/03

(May submit once a month; required at least once a quarter even if zero funds requested)

Type of Funds Request:

- ☐ Advance
☐ Reimbursement
☐ Lump Sum
☐ Final Request

Grantee: _____
 Address: _____
 Phone: _____

Preparer: _____
 Title: _____
 Organization: _____
 Phone: _____
 E-Mail Address: _____

Grant No.: _____
 Grant Amend. #: _____
 Execution Date: _____
 Expiration Date: _____
 CDBG Rep: _____

Funds Request (Due at least Quarterly)

Request Number: ()

Report Period: From:

To:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	For	(9)
Contract	HUD	Budgeted	Total Funds Requested	Total CDBG Funds	CDBG Funds	Total CDBG Funds	*CDBG Funds-on-	HCD	
Activities	Code	Amount	To Date	Received	Requested Not Rcvd	Disbursed	Hand (Col. 5-7)	USE	Funds Requested
1.									
2.									
3.									
4.									
5.									
6.									
Total		\$	\$	\$	\$	\$	\$		\$

***Note: If Funds-on-Hand exceeds \$5,000, please explain in Comment Section**

PLANNING AND TECHNICAL ASSISTANCE GRANTS ONLY – EXPENDITURE OF MATCH FUNDS

(1)	(2)	(3)	(4)	(5)	(6)
Allocation	Activity	Budgeted Amount	Previously Reported	Expended This Period	Total Expenditures (Col. 4 + 5)
Econ Develop		\$	\$	\$	\$
General		\$	\$	\$	\$

EXPENDITURE OF PROGRAM INCOME ON ACTIVITIES ASSOCIATED WITH THIS GRANT

(1)	(2)	(3)	(4)	(5)	(6)
Activity Name	HUD Code	Budgeted Amount	Previously Reported	Expended This Period	Total Expenditures (Col. 4 + 5)
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$

Comments:

Grantee Certification:

I certify to the best of my knowledge that this report is true in all respects, that the reported amounts agree with the official accounting records, and that all disbursements have been made for the purposes and conditions of this grant.

Name: _____

Title: _____

Signature: _____

Date: _____

FOR HCD USE ONLY

Voucher #: _____

Date: _____

Fiscal Rep: _____